

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1308

IN THE MATTER OF:

Application of GREYHOUND AIRPORT)	Served: March 8, 1974
SERVICE, INC., for Authority to)	
Change Tariff)	Application No. 827
)	
)	Docket No. 259

On February 14, 1974, Greyhound Airport Service, Inc. (Greyhound), filed (A) WMATC Tariff No. 13 canceling its current WMATC Tariff No. 12 and, effective March 16, 1974, publishing increased fares and certain new Rules and Regulations governing the transportation of passengers and their baggage between Washington National Airport (National) and Dulles International Airport (Dulles), on the one hand, and on the other, points within the Metropolitan District performed pursuant to its Certificate of Public Convenience and Necessity No. 7; (B) a petition requesting that WMATC Tariff No. 13 become effective on less than the statutory period provided in Title II, Article XII, Section 5(e) of the Compact; and (C) a petition requesting the Commission to defer any suspension order or any oral hearing for a minimum period of 6 months from the authorized effective date of the tariff.

Greyhound seeks a rate increase and a modification in its service obligations so that it may increase the revenues and decrease the expenses of its airport surface transportation operations. The request to defer any suspension order or an oral hearing is made so the involved new rates and service modifications would be allowed to be in effect for a reasonable trial period of 6 months. Thereafter, Greyhound believes an adequate and useful record could be developed at an oral hearing which the Commission may see fit to order.

BACKGROUND

During the past 5 year period, namely 1969 through 1973, Greyhound has been providing surface transportation services at National and Dulles. According to Greyhound, it has suffered a net operating loss, before provision for income taxes, of approximately \$1,424,000 during this period. Greyhound further contends the amount of this loss exceeds its prior total capital investment in its airport operations.

Greyhound's current WMATC Tariff No. 12 was effective November 22, 1970. Since that date, Greyhound has not obtained a rate increase in connection with any of its airport services. During the period between the effective date of the current tariff and the filing of the proposed tariff, a period of approximately 39 months, Greyhound states that its costs of operation have substantially increased.

Greyhound states that it is no longer able or willing to continue to conduct airport services at a loss, and that unless services are immediately placed on a profitable basis, it would have no alternative but to substantially curtail its existing services, or totally discontinue and abandon these services. Greyhound submits that any resulting loss or severe curtailment of service would be detrimental to the needs of the segment of the traveling public dependent upon these airport services.

PROPOSED TARIFF

The proposed tariff would increase the rates for each of Greyhound's service items. It also proposes to modify the points to be served by discontinuing most of the economy airport service currently provided on a reservation basis and the service between National or Dulles and the Airlines Terminal.^{1/} The current rates and service points and the proposed rates and remaining service point are listed in Appendix A.

Greyhound's proposed rate increase in connection with its operations between Dulles and the downtown Washington, D. C., area

^{1/} A specially located downtown terminal maintained at the Albert Pick Motor Inn, 1201 K Street, N. W., for service to and from Dulles.

contemplates an increase in its existing motor coach fare of \$3.50 to \$4.00, an increase of 50 cents per passenger, or 14.3 percent. The increase in its existing limousine or airport economy fares between Dulles and specified points within zones located in the District of Columbia and Maryland, contemplates an increase in its current fares of \$3.25, \$3.50, and \$3.75 to \$3.75, \$4.00, and \$4.25, respectively. In each instance this is an increase of 50 cents per passenger. The percent of increase varies, depending upon the distance of the point involved from Dulles and ranges from a high of 15.4 percent to a low of 13.3 percent. The increase in its existing group riding door-to-door sedan service from Dulles to specified zones in the District of Columbia and Maryland contemplates an increase in current fares of \$6.00, \$6.50, \$7.00, \$7.50, \$8.00, \$8.50 per passenger, to \$6.50, \$7.00, \$7.50, \$8.00, \$8.50, and \$9.00, respectively, and for service beyond the zone to which the \$9.00 fare would apply, an additional \$.75 per mile. In each instance this is an increase of 50 cents per passenger with the percent increase varying, depending upon the distance of the point involved from Dulles and ranging from a high of 8.3 percent to a low of 5.9 percent.

Greyhound's proposed increase in connection with its operations between National and specified points within zones located in the District of Columbia and Maryland, contemplates an increase in its current fares of \$1.75, \$2.25, \$2.75, \$3.25, \$3.75, and \$4.25 to \$2.00, \$2.50, \$3.00, \$3.50, \$4.00, and \$4.50, respectively. In each instance this is an increase of 25 cents per passenger with the percent of increase varying, depending upon the distance of the point involved from National ranging from a high of 14.3 percent to a low of 5.9 percent.

Greyhound also proposes an increase in its existing rates for charter service. The proposed increase contemplates an increase of 10 cents per mile and \$2.50 per hour (minimum charge 3 hours) for vehicles accommodating 11 passengers or less. For vehicles accommodating 12 or more, the proposed tariff contemplates an increase of 15 cents per mile and \$3.00 per hour (minimum charge 5 hours). The rate increases would result in an approximate 20 percent increase in fares.

Deletion of service points in the Greyhound proposed tariff would significantly modify the service currently being provided

between either National or Dulles and specified points in the District of Columbia or Maryland. The modification proposal affects the reservation-basis economy airport service to and from National and Dulles. In addition, the economy airport service, on a specified frequency, between National and the Airlines Terminal, Linden Hill Hotel, and the National Institute of Health, and between Dulles and the Airlines Terminal would be terminated.

The net effect of the proposed rate increases and the service modifications would be an increase in the rate and the curtailment of economy airport service between National or Dulles and specified points in the District of Columbia and Maryland. Moreover, the rate increases and the economy airport service modifications may result in travelers having to use more expensive group riding door-to-door sedan service from Dulles to the District of Columbia or Maryland.

FINANCIAL CONDITION

In support of the requested increase in rates, Greyhound submitted an income statement based upon the actual results of its operations during the month of January 1974 and, based thereon, a projected income statement for an average month during the year 1974. In addition, Greyhound files with the Commission financial statements for each month of its operations. These reports have been reviewed and are included as part of Appendix B.

Greyhound's income statement for 1973 indicates that Greyhound's operations generated revenue of \$5,503,710. The total revenue deductions for 1973, exclusive of income taxes, ^{2/} were \$5,989,275. The result of its operations in 1973 was a loss of \$485,565, or an operating ratio of 108.82.

The income statement for January 1974 indicates that Greyhound's total operations generated \$206,871 in revenue. It incurred operating revenue deductions of \$210,334. The net loss of \$3,463 reflects an operating ratio of 101.67. Significantly, the figures for January 1974 include no payment of any franchise fee whatsoever and no rental payments to the Federal Aviation

^{2/} No provision for income taxes has been made as a revenue deduction because the tax loss carry-over provision of the Internal Revenue Code will relieve Greyhound of the necessity of paying any income tax on income received in the future annual period. See Order No. 1102, served November 17, 1970.

Administration (FAA). Prior to 1974, Greyhound was required to pay for facilities furnished to Greyhound by the FAA.

The projected income statements for an average month during the year 1974 reflect Greyhound's calculations of what its operations under the current rate structure and under the proposed rate structure would be. According to Greyhound, its operations would generate \$178,200 in total operating revenues per month under the current rates and \$195,100 in total operating revenues per month under the proposed rates. The total average monthly revenue deductions, exclusive of any provision for income taxes, is projected to be \$188,370. The projected revenue deductions include a deduction of \$5,000 as a monthly rental payment to the FAA and no deduction for a franchise fee. The net result is projected to be an operating loss of \$10,170, or an operating ratio of 105.71 under the current rate structure, compared to an operating income of \$6,730, or an operating ratio of 96.55 under the proposed rate structure.

A comparison of Greyhound's actual results in January 1974 with its projected monthly average discloses that its projected figures are on the optimistic side. Although the actual revenues exceeded the projected revenues, the actual expenses exceeded the projected expenses. The result was an operating loss rather than operating income.

Greyhound submits that Title II, Article XII, Section 6(a)(4) of the Compact entitles it to earn a return of at least 6 1/2 percentum net after all taxes properly chargeable to transportation operations, including but not limited to income taxes. Greyhound contends that this provision of the Compact would permit it to generate net income, after provision for the payment of taxes, of almost \$12,700, or approximately four times its projected monthly earnings under its proposed new rates.

Greyhound states that in recent months it has experienced tremendous increases in both of its major and basic items of cost, namely, fuel and labor. The cost of gasoline allegedly increased from 25 to 35 cents per gallon, an increase of 10 cents per gallon or 40 percent; the cost of its diesel fuel has allegedly increased from 24 to 34 cents per gallon, also an increase of 10 cents or 41 percent; and the wages for motor coach operators have allegedly increased by approximately 27 percent and those of limousine

operators by approximately 31 percent.

The contention of Greyhound that it is entitled to a return of at least 6.5 percent, and its statement that costs have recently increased by significant amounts are offered as justification for the proposed tariff. Greyhound argues that its current cost of operating has substantially increased and that its rates should be increased sufficiently to generate revenues in amounts necessary to satisfy the costs and to yield a return of 6.5 percent, which it asserts would be reasonable.

PRESENT OPERATIONS

Greyhound's former concessionaire contract with the FAA relating to its provision of ground transportation services at both of the airports on an exclusive basis, expired effective December 31, 1973. Greyhound is now providing those services under a temporary or interim extension of the agreement, pending negotiations looking toward its entering a new 5 year contract. Under the interim arrangement with the FAA, Greyhound no longer provides the exclusive taxicab service for passengers originating at National, as that airport now has been opened up to all public taxicab vehicles. Greyhound is responsible solely for the management of the open cab policy at the National airport. Under the existing arrangement, all taxicab vehicles originating passengers at National pay a fee of 50 cents to Greyhound. The entire sum generated by that fee is currently being retained by Greyhound as compensation for the services it provides.

The termination of Greyhound's exclusive right to provide taxicab service at National has significantly altered the sources and levels of revenue received by Greyhound. Appendix C contains a table setting forth Greyhound's several revenue sources at each airport. Greyhound's taxicab operations at National generated \$3,298,940 or 61.3 percent of its total revenue in 1973. In December, 1973, (the last month of the previous concessionaire contract under which Greyhound had exclusive right to provide taxicab service at National) the taxicab operation generated \$162,309 or 54.3 percent of the total revenue for the month. By way of comparison, Greyhound's total operating revenue in January, 1974, amounted to \$200,127. The fee revenues generated by the open-cab system at National in January, 1974, amounted to \$35,638 or 17.8 percent of its total revenues.

Greyhound's loss of taxicab revenue from all passenger traffic originating at National has substantially reduced the total revenues being derived from its airport operations at National. According to Greyhound, the taxicab operations at National historically have been the most profitable of all airport services provided and with the loss of revenue and net profits from such taxicab operations, Greyhound currently is finding it extremely difficult, if not impossible to provide all of the airport services on a profitable basis. Moreover, Greyhound submits that it is going to be extremely difficult, if not impossible, to continue to provide limousine service between National and points in the Metropolitan District regardless of the rate charged for such service without incurring substantial operating losses and that it may well become necessary to discontinue that limousine service completely and have the public depend entirely upon whatever local taxicab service is available from that airport.

Greyhound further submits that its airport service at Dulles and its limousine service at both airports are highly unprofitable. Also, that its bus operations to and from Dulles is at best a marginal operation. Greyhound opines that the proposed tariff would increase its revenues and reduce the anticipated losses. Greyhound contends that an experimental period for operations under the modified system, and the proposed new rate structure is essential to create a proper operational test period. Thereby, Greyhound would be enabled to develop the necessary evidence required for future decisions as to the nature and extent of the airport services required by the public, and appropriate rate levels required to sustain those services.

CONCLUSIONS

Title II, Article XII, Section 6(a)(1) of the Compact provides, the following:

"In determining whether any proposed change shall be suspended, the Commission shall give consideration to, among other things, the financial condition of the carrier, its revenue requirements, and whether the carrier is being operated economically and efficiently." (Emphasis added)

The foregoing review of Greyhound's income statements reveal that Greyhound incurred deficits from its operations for the year 1973 and for the month of January 1974. The projection of revenue in Appendix D indicates that if the proposed rate structure, including the taxicab rate increase, had been effective during January 1974, Greyhound would have had a maximum of \$24,837 operating income or an operating ratio of 89.44. The rate of return of 10.56 appears to be high but it must be recognized that the projections do not include any adjustment for passenger resistance to the higher rates or a decline in the number of travelers using the airport facilities. However, the amount of deductions from revenues would have been lower if it were determined that Greyhound had not operated economically and efficiently during the period of transition resulting from the termination of its exclusive taxicab operations at National.

The Commission must weigh the interest of the public in having a transportation service between either National or Dulles and specified points or areas in the Metropolitan District at the lowest cost consistent with the furnishing of such service and the need of the carrier in question to generate sufficient revenues to enable it, under honest, economical and efficient management, to provide such transportation services. See, Title II, Article XII, Section 6(a)(3) of the Compact. The record developed by Greyhound and the staff does not provide a sufficient basis upon which to determine whether the significant service modifications and proposed rate structure would result in reasonable and adequate service to the public and revenues sufficient to enable Greyhound to provide airport transportation services. Accordingly, the Commission shall suspend, under the provisions of Title II, Article XII, Section 6(a)(1) of the Compact, Greyhound's proposed WMATC Tariff No. 13 and schedule a hearing in order to develop an appropriate record upon which to determine whether the proposed rate structure and service modifications would be just, reasonable and not unduly preferential or unduly discriminatory either between riders or sections of the Metropolitan District.

Further, the Commission shall require Greyhound to submit as exhibits, and be prepared to support with competent witnesses the following data:

(A) A detailed statement of the reasons for the proposed service modifications.

(B) An analysis of the number of passengers utilizing the various forms of service provided by Greyhound, including taxicab service by Greyhound Airport Service, Inc., of Virginia.

(C) An analysis of the probable changes in ridership patterns due to the proposed tariff changes, including such rider resistance expected to be applied, if any.

(D) A consolidated and fully allocated analysis of the impact of the proposed changes, including taxicab operations, upon the revenues, expenses and rate of return of Greyhound.

(E) A complete and current equipment list, including taxicabs.

(F) A copy of Greyhound's current contract with FAA.

The public should be given notice of the proposed rate structure and service modifications and Greyhound will be required to publish notice in a newspaper and post notice in each of its vehicles.

Greyhound's petition herein requested that the proposed tariff be made effective in less than the statutory period. In view of the decision of the Commission to suspend the proposed tariff, any consideration of that request is moot. Moreover, the petition seeks to have the tariff be effective for six months from the effective date of the order. The Commission shall preserve this request until the time that it renders a dispositive decision on the suspended WMATC Tariff No. 13.

An additional matter has been presented to the Commission for its consideration by the proposed tariff. A carrier is required by Regulation No. 55-05 to file a tariff containing an explicit statement of the fares in cents or in dollars and cents, together with the names or description of the points from and to which they apply. One of the purposes of this regulation is to specify exactly the service to be provided by a carrier within the general authority granted the carrier in its certificate. Of course, it follows that the two must be closely related. A carrier's tariff may not provide for service not authorized in its certificate. Nor can a carrier retain certificate authority for a service it does not operate. A certificated carrier may amend or revoke, in whole or in part, in the discretion of the Commission, its certificate. See Title II,

Article XII, Section 4(g) of the Compact. The service reductions which Greyhound proposes would de facto require an appropriate certificate amendment. The Commission shall consider this additional facet of the effect of the proposed tariff at the hearing scheduled herein and shall seek to develop facts pertaining thereto.

THEREFORE, IT IS ORDERED:

1. That WMATC Tariff No. 13 of Greyhound Airport Service, Inc., be, and it is hereby, suspended effective March 16, 1974, for a period of 90 days, through Friday, June 14, 1974, unless otherwise ordered.

2. That Application No. 827 of Greyhound Airport Service, Inc., be, and it is hereby, scheduled for public hearing to commence Tuesday March 26, 1974, at 10:00 a.m., in the Hearing Room of the Commission, Room 314, 1625 Eye Street, N. W., Washington, D. C. 20006.

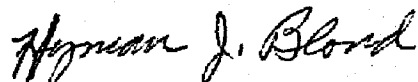
3. That applicant post notice in the form prescribed by the staff of the Commission of this application and hearing in all of its vehicles no later than Thursday, March 14, 1974.

4. That applicant publish notice in the form prescribed by the staff of the Commission of this application and hearing in a newspaper of general circulation in the Metropolitan District no later than Thursday, March 14, 1974.

5. That the evidence on behalf of Greyhound Airport Service, Inc shall be submitted on or before Friday March 22, 1974, in such manner that six (6) copies shall be received by the Commission and one copy served on each party of record.

6. That any person desiring to protest or otherwise to be heard on this matter shall notify the Commission, in writing, on or before Friday, March 22, 1974, and mail a copy of such notification to counsel of record for Greyhound Airport Service, Inc., L. C. Major, Esquire, Suite 301 Tavern Square, 421 King Street, Alexandria, Virginia 22314.

BY DIRECTION OF THE COMMISSION:



HYMAN J. BLOND
Executive Director

GREYHOUND AIRPORT SERVICE, INC.
COMPARISON OF PRESENT FARES AND CHARGES
WITH PROPOSED FARES AND CHARGES

		<u>Present</u>	<u>Proposed</u>	<u>Percent of Change</u>
Item 1. Fares between Washington National Airport and:				
A. Dulles International Airport				
Full fare		\$3.50	\$4.00	14.3
Airport employee		1.50	2.00	33.3
Terminal-to-terminal baggage transfer				
for airlines		1.50	2.00	33.3
Unaccompanied baggage sent by passenger		2.00	2.50	25.0
Cancelled, diverted or scrip passengers		2.00	2.50	25.0
B. Points in the following zones by means of economy airport service				
<u>Zones</u>	<u>Specified Pickup or Discharge Points</u>			
W-1	Airlines Terminal	1.75	N/A	
	*Ambassador Hotel	1.75	N/A	
	*Burlington Hotel	1.75	N/A	
	*Executive House	1.75	N/A	
	*Greyhound Terminal	1.75	N/A	
	*Harrington Hotel	1.75	N/A	
	*Holiday Inn (Central)	1.75	N/A	
	*Holiday Inn (Downtown)	1.75	N/A	
	Howard Johnson Motel	1.75	N/A	
	*Lafayette Hotel	1.75	N/A	
	*Madison Hotel	1.75	N/A	
	*Main Navy Building	1.75	N/A	
	*Manger Annapolis Hotel	1.75	N/A	
	*Manger Hamilton Hotel	1.75	N/A	
	*Manger Hay-Adams Hotel	1.75	N/A	
	*Mayflower Hotel	1.75	N/A	
	*Pick Lee House	1.75	N/A	
	*Roger Smith Hotel	1.75	N/A	
	*Sheraton Carlton Hotel	1.75	N/A	
	Statler Hotel	1.75	2.00	14.3
W-2	Dupont Plaza Hotel	2.25	N/A	
	Sheraton Park Hotel	2.25	N/A	
	Shoreham Hotel	2.25	N/A	
	Washington Hilton Hotel	2.25	2.50	11.1
	Windsor Park Hotel	2.25	N/A	

		Present	Proposed	Percent of Change
W-3	*American University	2.75	N/A	
	*Catholic University	2.75	N/A	
	*Connecticut Inn	2.75	3.00	9.1
W-4	*Walter Reed Army Hospital	3.25	3.50	7.7
W-5	**Bethesdan Motel	3.75	4.00	6.7
	**Chevy Chase Motor Lodge	3.75	4.00	6.7
	**Georgian Motel	3.75	4.00	6.7
	**Ramada (formerly Governor's)	3.75	4.00	6.7
	**In-Town-Chevy Chase	3.75	4.00	6.7
	**Linden Hill Hotel	3.75	N/A	
	**National Institutes of Health	3.75	N/A	
	**Sheraton-Silver Spring	3.75	4.00	6.7
W-6	Howard Johnson-Wheaton Plaza	4.25	4.50	5.9

Item 2. Fares between Dulles International Airport and:

A.	Washington National Airport			
	Full fare	3.50	4.00	14.3
	Airport employee	1.50	2.00	33.3
	Terminal-to-terminal baggage transfer			
	for airlines	1.50	2.00	33.3
	Unaccompanied baggage sent by passenger	2.00	2.50	25.0
	Cancelled, diverted or scrip passengers	2.00	2.50	25.0

B. Points in the following zones by means of economy airport service

Zones Specified Pickup or Discharge Points

D-3		3.00	N/A	
D-4	*Bethesdan Motel	3.25	3.75	15.4
	*Ramada (formerly Governor's)	3.25	3.75	15.4
	*Linden Hill Hotel	3.25	N/A	
	*National Institutes of Health	3.25	N/A	
D-5	Airlines Terminal	3.50	N/A	
	*Ambassador Hotel	3.50	N/A	
	*Burlington Hotel	3.50	N/A	
	*Dupont Plaza Hotel	3.50	N/A	
	*Executive House	3.50	N/A	
	*Holiday Inn (Central)	3.50	N/A	
	*Holiday Inn (Downtown)	3.50	N/A	
	Howard Johnson Motel	3.50	N/A	
	*Madison Hotel	3.50	N/A	
	*Manger Annapolis Hotel	3.50	N/A	
	*Manger Hamilton Hotel	3.50	N/A	

		Present	Proposed	Percent of Change
	*Mayflower Hotel	3.50	N/A	
	*Sheraton Park Hotel	3.50	N/A	
	*Shoreham Hotel	3.50	N/A	
	Statler Hotel	3.50	4.00	14.3
	Washington Hilton Hotel	3.50	4.00	14.3
	*Windsor Park Hotel	3.50	N/A	
D-6	*Howard Johnson Motel	3.75	4.25	13.3
	*Georgian Motel	3.75	N/A	
	*Sheraton-Silver Spring	3.75	4.25	13.3
D-7		4.00	None	
C. Points in the following zones by means of group riding door-to-door sedan service				
D-3	Maryland	6.00	6.50	8.3
D-4	Maryland and District of Columbia	6.50	7.00	7.7
D-5	Maryland and District of Columbia	7.00	7.50	7.1
D-6	Maryland and District of Columbia	7.50	8.00	6.7
D-7	Maryland and District of Columbia	8.00	8.50	6.3
D-8	Maryland	8.50	9.00	5.9
	Beyond Zone D-8: Zone D-8 fare plus _____ per mile	.50	.75	50.0

Item 3. Charter service

Between Washington National Airport or Dulles International Airport and any point within WMATC District

Vehicle Capacity: 11 passengers or less

¢ Per Live Mi.	¢ Per Dead Mi.	Costs Per Hour	Minimum Charge	Proposed			
				¢ Per Live Mi.	¢ Per Dead Mi.	Costs Per Hour	Minimum Charge
45¢	30¢	\$12.50	\$37.50	55¢	40¢	\$15.00	\$45.00
Percentage increase in each:				22.2	33.3	20.0	20.0

Vehicle Capacity: 12 passengers or more

¢ Per Live Mi.	¢ Per Dead Mi.	Costs Per Hour	Minimum Charge	Proposed			
				¢ Per Live Mi.	¢ Per Dead Mi.	Costs Per Hour	Minimum Charge
75¢	45¢	\$15.00	\$75.00	90¢	60¢	\$18.00	\$90.00
Percentage increase in each:				20.0	33.3	20.0	20.0

* Service from these points to Washington National Airport is provided on a reservation basis only.

** Service from these points to Washington National Airport is provided on a specified frequency basis between the hours of 6:00 A. M. and 8:00 P. M.

Note: N/A indicates service which would "not be available" under the proposed tariff.

GREYHOUND AIRPORT SERVICE, INC.

	Historical Income Statements			Monthly Average 1973	Income Statement For January 1974			Projected Monthly Income Statements For 1974	
	For January 1973	For December 1973	For Year 1973		Transportation Services	Open Cab Operations	Combined Total	Based On Existing Fare	Based On Proposed Fare
<u>Operating Revenue:</u>									
Passenger	\$471,140	\$299,033	\$5,379,454	\$448,288	\$164,489	-0-	\$164,489	\$114,100	\$129,020
Charter	7,234	7,884	117,297	9,775	6,744	-0-	6,744	9,900	11,880
Other Rental	295	512	6,959	580	-0-	-0-	-0-	-0-	-0-
Open Cab	-0-	-0-	-0-	-0-	-0-	\$35,638	35,638	54,200	54,200
Total Operating Revenue	478,669	307,429	5,503,710	458,643	171,233	35,638	206,871	178,200	195,100
<u>Operating Revenue Deductions:</u>									
Operating Expenses	356,130	420,510	4,764,843	397,070	166,490	19,705	186,195	165,060	165,060
Taxes, Other Than Income	34,248	26,516	400,021	33,335	14,565	1,537	16,102	14,750	14,750
Depreciation	24,154	19,317	274,638	22,887	7,987	50	8,037	8,560	8,560
Franchise Fee	47,889	30,677	549,773	45,814	-0-	-0-	-0-	-0-	-0-
Income Taxes	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Operating Revenue Deductions	462,421	497,020	5,989,275	499,106	189,042	21,292	210,334	188,370	188,370
<u>Net Operating Income (Loss)</u>	<u>16,248</u>	<u>(189,591)</u>	<u>(485,565)</u>	<u>(40,463)</u>	<u>(17,809)</u>	<u>14,346</u>	<u>(3,463)</u>	<u>(10,170)</u>	<u>6,730</u>
Operating Ratio (Percent)	96.61	161.67	108.82	108.82	110.40	59.75	101.67	105.71	96.55
Rate of Return (Deficit) on Operating Ratio (Percent)	3.39	(61.67)	(8.82)	(8.82)	(10.40)	40.25	(1.67)	(5.71)	3.45

APPENDIX C

GREYHOUND AIRPORT SERVICE, INC.
COMPARISON OF REVENUE SOURCES

	<u>For Year 1973</u>		<u>For December 1973</u>		<u>For January 1974</u>	
	<u>Actual</u>	<u>Percent of Total</u>	<u>Actual</u>	<u>Percent of Total</u>	<u>Actual</u>	<u>Percent of Total</u>
Coach	\$ 907,759	16.9	\$ 65,744	22.0	\$ 69,484	34.7
Limo-WNA	512,660	9.5	31,061	10.4	31,531	15.8
Limo-DIA	39,965	.7	1,688	.6	4,114	2.1
Taxicab-WNA	3,298,940	61.3	162,309	54.3	35,638*	17.8
Taxicab-DIA	<u>620,130</u>	<u>11.6</u>	<u>38,231</u>	<u>12.7</u>	<u>59,360</u>	<u>29.6</u>
Total	<u>\$5,379,454</u>	<u>100.0</u>	<u>\$299,033</u>	<u>100.0</u>	<u>\$200,127</u>	<u>100.0</u>

* Revenues from open-cab operations.

APPENDIX D

GREYHOUND AIRPORT SERVICE, INC.
PROJECTION OF REVENUE

<u>Source</u>	<u>Actual Revenues For January 1974</u>	<u>Increase Factor</u>	<u>Projected Revenues</u>
Coach	\$69,484	1.143	\$ 79,420
Limo-WNA	31,531	1.143	36,040
Limo-DIA	4,114	1.154	4,748
Charter	6,744	1.200	8,093
Open Cab	35,638	1.000	35,638
DIA Taxi*	59,360	1.200	<u>71,232</u>
			\$235,171
Less: Operating Revenue Deductions			<u>210,334</u>
Net Operating Income			\$ 24,837
Operating Ratio			89.44%
Rate of Return			10.56%

* See Order No. 1306, served February 22, 1974, wherein the Commission prescribed the rate applicable to Greyhound's taxicabs to be \$.70 for the first mile and \$.30 for each additional one-half mile or part thereof. The percentage increase is 16-2/3 percent on the first mile and 20 percent for each additional one-half mile. The maximum increase applied here would never be realized because of the smaller increase in the first mile.